

## § 5501.105

CFR 2640.202 or from non-publicly traded securities that are not covered by the regulatory exemption. Furthermore, the agency may prohibit or restrict an individual employee from acquiring or holding any financial interest or a class of financial interests based on the agency's determination that the interest creates a substantial conflict with the employee's duties, within the meaning of 5 CFR 2635.403.

(c) *Reporting and divestiture.* For purposes of determining the divestiture period specified in 5 CFR 2635.403(d), as applied to financial interests prohibited under paragraph (a) of this section, the "date divestiture is first directed" means the date on which the new entrant public or confidential financial disclosure report required by part 2634 of this title or any report required by § 5502.106(c) of this chapter is due.

[61 FR 39763, July 30, 1996, as amended at 70 FR 5558, Feb. 3, 2005]

## § 5501.105 Exemption for otherwise disqualifying financial interests derived from Indian or Alaska Native birthrights.

(a) Under 18 U.S.C. 208(b)(4), an employee who otherwise would be disqualified may participate in a particular matter where the otherwise disqualifying financial interest that would be affected results solely from the interest of the employee, or the employee's spouse or minor child, in birthrights:

(1) In an Indian tribe, band, nation, or other organized group or community, including any Alaska Native village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians;

(2) In an Indian allotment the title to which is held in trust by the United States or which is inalienable by the allottee without the consent of the United States; or

(3) In an Indian claims fund held in trust or administered by the United States.

(b) The exemption described in paragraph (a) of this section applies only if the particular matter does not involve the Indian allotment or claims fund or

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the Indian tribe, band, nation, organized group or community, or Alaska Native village corporation as a specific party or parties.

## § 5501.106 Outside employment and other outside activities.

(a) *Applicability.* This section does not apply to special Government employees.

(b) *Definitions.* For purposes of this section:

(1) *Compensation* has the meaning set forth in 5 CFR 2635.807(a)(2)(iii).

(2) *Consultative services* means the provision of personal services by an employee, including the rendering of advice or consultation, which requires advanced knowledge in a field of science or learning customarily acquired by a course of specialized instruction and study in an institution of higher education, hospital, or other similar facility.

(3) *Professional services* means the provision of personal services by an employee, including the rendering of advice or consultation, which involves the skills of a profession as defined in 5 CFR 2636.305(b)(1).

(c) *Prohibited outside employment and activities*—(1) *Prohibited assistance in the preparation of grant applications or contract proposals.* An employee shall not provide consultative or professional services, for compensation, to or on behalf of any other person to prepare, or assist in the preparation of, any grant application, contract proposal, program report, or other document intended for submission to HHS.

(2) *Prohibited employment in HHS-funded activities.* An employee shall not, for compensation, engage in employment, as defined in 5 CFR 2635.603(a), with respect to a particular activity funded by an HHS grant, contract, cooperative agreement, cooperative research and development agreement, or other funding mechanism authorized by statute.

(3) *Prohibited outside activities applicable to employees of the Food and Drug Administration.* An employee of the Food and Drug Administration who is required to file a public or confidential financial disclosure report pursuant to 5 CFR part 2634 shall not: